

FINANCIAL GUARANTEE REDUCTION AND RELEASE

The 43 CFR 3809 regulations require that all plans and notices submitted after January 20, 2001, be covered by a financial guarantee before conducting operations. The financial guarantee must be sufficient to cover 100% of the cost to stabilize and reclaim the site, including the cost of any action needed to prevent unnecessary or undue degradation of the Federal lands should premature cessation or abandonment of the operation occur. The following guidelines provide for the reduction and final release of financial guarantees held for plan of operations and notice level activities:

- Up to 60%¹ of the total financial guarantee for an operational area within a designated project area, or an entire project area, may be released when all dirtwork has been completed and the area has been prepared to receive seed. Requirements include: drill hole plugging; backfilling; recontouring; grading; completion of acid rock drainage (ARD) control; establishment of surface and subsurface drainage controls; stabilization and neutralization of leach heaps, process ponds, leach-bearing tailings, and similar facilities.
- The remaining portion (at least 40%) of the financial guarantee may be released when all structures and other facilities have been removed and the area has been revegetated to establish a diverse, effective and permanent vegetative cover, all monitoring and maintenance requirements have been met, and when discharged effluent has met, without violations and without the necessity for additional treatment, applicable effluent limitations and water quality standards for at least one full year.

For those operations that may require long-term (more than five years) post-closure monitoring and maintenance activities, operators may choose to acquire separate financial instruments to address and cover those identified long-term post-closure obligations. This would allow for release of the original financial guarantee upon completion of all reclamation and closure activities.

The determination of successful revegetation of mining disturbances is defined in *NEVADA GUIDELINES FOR SUCCESSFUL REVEGETATION FOR THE NEVADA*

¹ An exception to the 60% release may be granted by the appropriate BLM field manager upon request of the operator. For exploration operations and certain mining operations that do not involve processing activities or require ARD controls, up to 85% of the total financial guarantee may be released upon completion of all drill hole plugging, dirt work, structural removal and revegetation. The remaining 15% may be released upon completion of any final reclamation requirements, such as revegetation

DIVISION OF ENVIRONMENTAL PROTECTION, THE BUREAU OF LAND MANAGEMENT AND THE U.S.D.A. FOREST SERVICE (FINALIZED 09/03/98).

In addition, Attachment A, *Documentation of Reclamation Activities for Surety Release*, of the Reclamation Permit issued by the Nevada Division of Environmental Protection (NDEP) details documentation required for final release of the financial guarantee (see Attachment 8).

Each notice and plan of operations must include a section addressing site-specific financial guarantee release criteria, which includes requirements in Attachment A of the NDEP reclamation permit, revegetation goals, and the technical method to be used to estimate vegetative cover.

Requests for a reduction or final release of a financial guarantee covering operations on public lands must be made in writing to the appropriate BLM field manager. For plans of operations, the request is coordinated by the BLM and the NDEP with a decision jointly made between the two agencies. Also for plans of operations, final release of a financial guarantee can not be completed until BLM posts the final release proposal in the appropriate BLM field office or publishes a notice of the proposed final release in a local newspaper of general circulation and accepts public comments for 30 calendar days. Such a notification is not required for the final release of a financial guarantee held for notice level operations.